

## INTRODUCTION

In the home help program, payments made to individual providers are considered earned income and must be reported to the Internal Revenue Service (IRS). The Michigan Department of Health and Human Services (MDHHS), on behalf of the client, issues a W-2 for all individual providers. W-2s are based on wages **issued** in a calendar year. Agency providers are issued a 1099.

## NON-RECEIPT OF W-2

If an individual home help provider reports non-receipt of their W-2, refer to the Provider Support hotline at 1-800-979-4662.

## W-2 CORRECTIONS

W-2 corrections are required when an individual home help provider reports inaccurate earnings on their W-2 or when earnings were attached to an incorrect social security number.

### Inaccurate Earnings

Complete the following steps when a provider reports inaccurate earnings on their W-2:

1. Verify the provider's period of employment with both the client and the provider.
2. Determine the total amount of gross wages that were **issued** in the calendar year.
  - Exclude warrants that were returned to Treasury and canceled. Outstanding warrants from the previous calendar year must be canceled or rewritten so earnings are determined accurately.
  - Exclude overpayments recouped by the MDHHS Medicaid Collections unit (MCU).
  - If there is a dispute over total earnings, the adult services specialist must order copies of the warrant(s) from Treasury to verify signatures.
  - If an overpayment is determined, follow recoupment procedures noted in ASM 165, Overpayment and Recoupment Process.

- If fraud is determined, make a referral to the Office of Inspector General (OIG).
- 1. Request a W-2 correction to MDHHS Provider Support via email at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). Insert Home Help W-2 Correction in the subject line of the email.
- 2. Furnish Provider Support with the following:
  - Provider name and social security number.
  - Provider's current address.
  - Client's name and recipient ID number.
  - Client's current address.
  - A summary describing the error, the time period when the error occurred and the correct gross wages earned.

### **Incorrect Social Security Number**

Complete the following steps when it is discovered a provider's earnings were attached to an incorrect social security number:

1. Determine the time period earnings were attached to the incorrect social security number.
2. Determine the total amount of gross wages that were issued in the calendar year (s).
  - Exclude warrants returned to Treasury and canceled. Outstanding warrants from the previous tax year in issue status must be canceled or rewritten so earnings are determined accurately.
  - Exclude overpayments recouped by MDHHS Medicaid Collection unit (MCU).
3. Request a W-2 correction to MDHHS Provider Support via email at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). Insert 'Home Help W-2 Correction' in the subject line of the email.
4. Furnish MDHHS Provider Support with the following:
  - Correct provider name and social security number.
  - Correct provider address.
  - Incorrect social security number and if available, provider name.

- Incorrect provider address, if available.
- Client's name and recipient ID number.
- Client's current address.
- A summary describing the error, the time period when the error occurred and the correct gross wages earned.

### **NON-RECEIPT OF 1099 AND 1099 CORRECTIONS**

Payments made to agency providers for the provision of home help services and Adult Foster Care/Home for the Aged providers for the provision of personal care services qualify as income that must be reported to the IRS. A 1099 is issued to agencies and AFC/HA providers when earnings are above \$600 in a calendar year.

Providers (individual or business) who received payment for providing adult protective services will also receive a 1099.

If an agency provider reports non-receipt of a 1099 or requires a 1099 correction, refer to the Provider Support hotline number at 1-800-979-4662.